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THE Livestock and Meat SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

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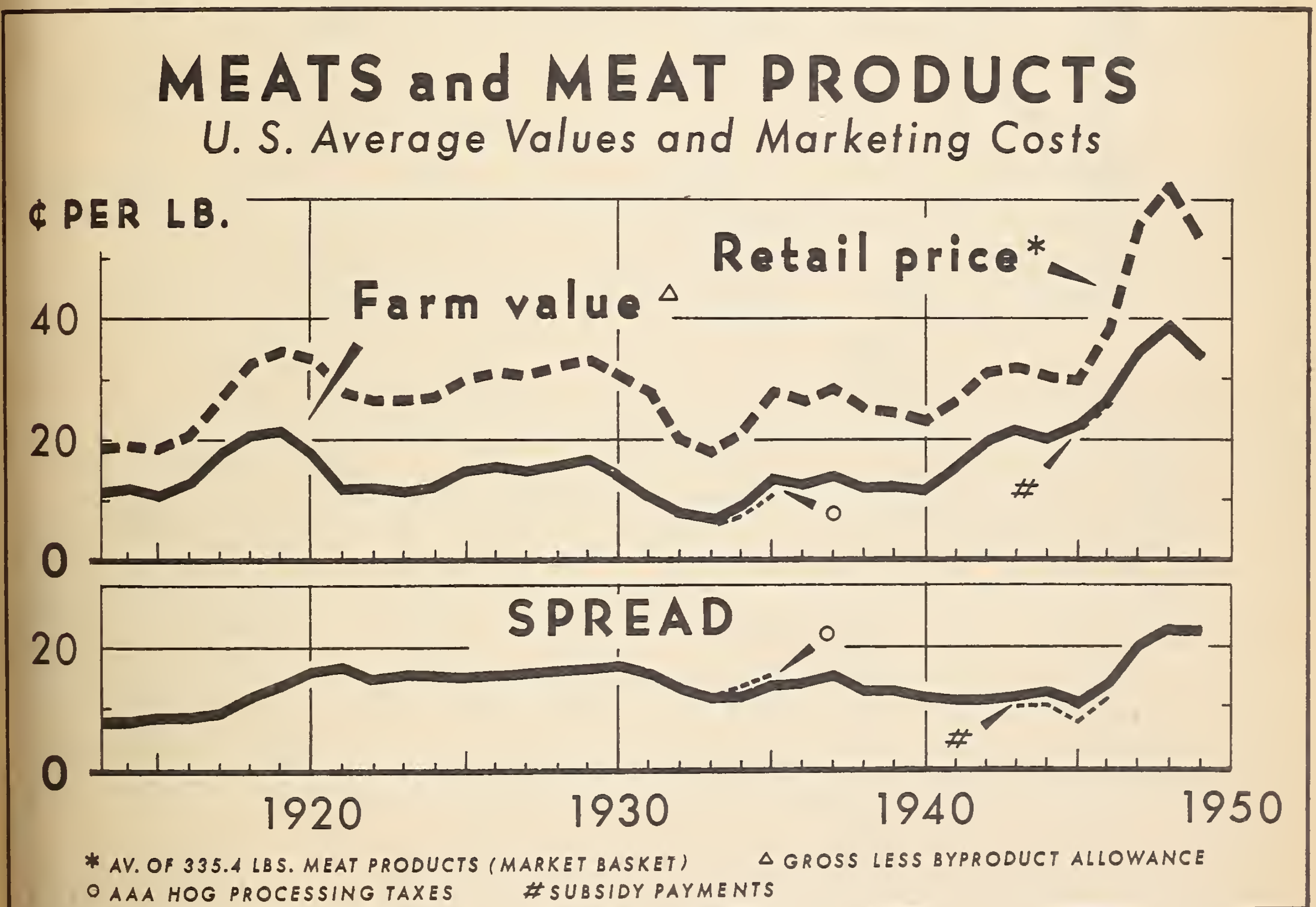
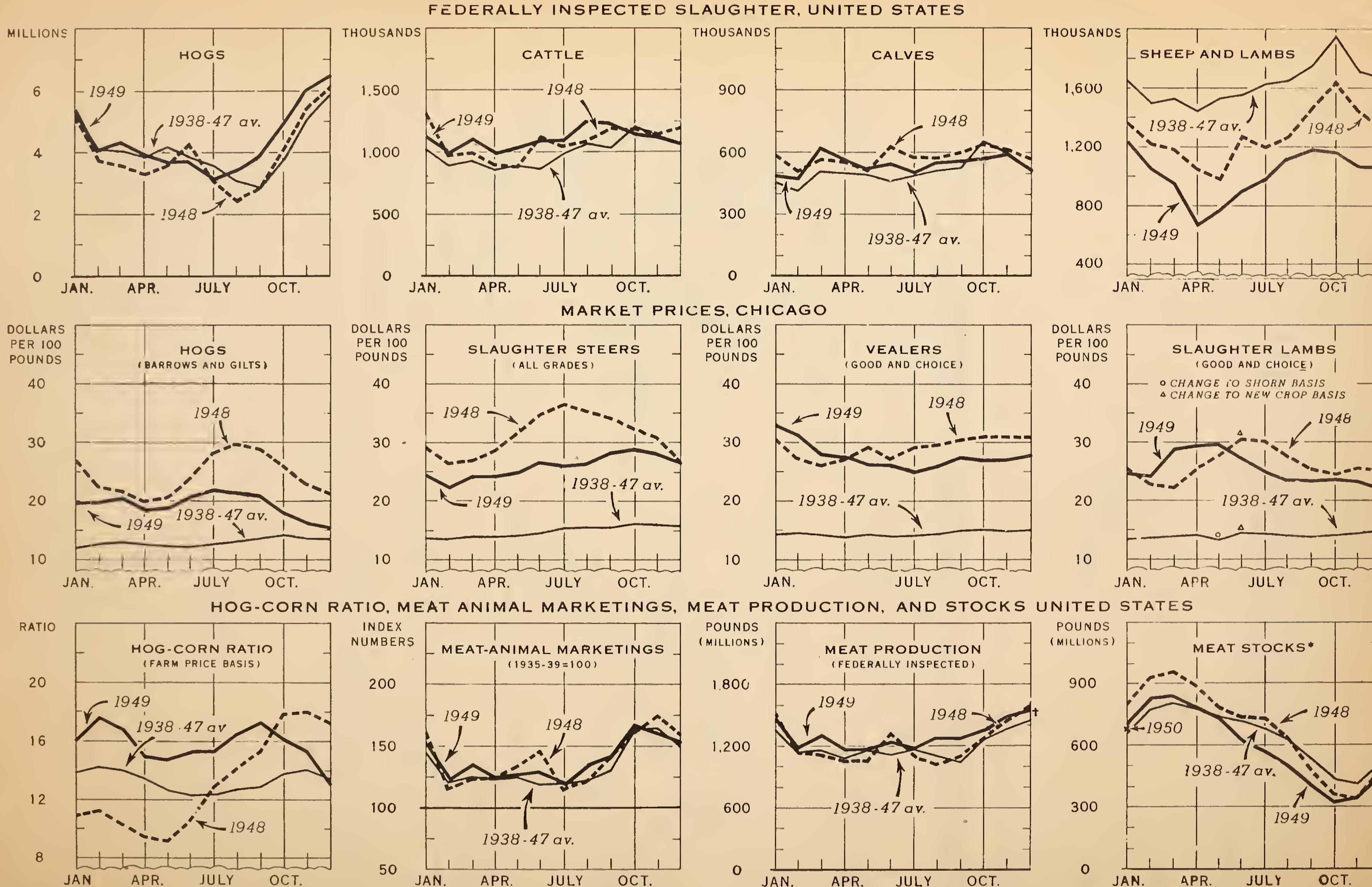


U. S. DEPARTMENT OF AGRICULTURE NEG. 46676-XX BUREAU OF AGRICULTURAL ECONOMICS

In 1949 retail prices for all meats combined averaged 10 percent lower than in 1948. The marketing charge was about the same in both years. The average farm value, therefore, fell a little more than retail prices - about 13 percent. Farmers received 60 cents of the consumers' retail meat dollar last year, compared with 63 cents in 1948 and a prewar average of 50 cents.

The marketing charge, which includes marketing, processing and distribution costs, usually changes slowly, partly because a number of cost items are nearly fixed. Although the total charge as calculated for all meat animals and meats was slightly smaller in 1949, that for many individual kinds and grades was slightly higher (see text beginning page 13).

LIVESTOCK AND MEAT SITUATION



*BEEF, LAMB AND MUTTON, PORK, AND MISCELLANEOUS MEATS IN MEAT PACKING PLANTS AND COMMERCIAL COLD STORAGE HOUSES, BEGINNING OF MONTH
†ESTIMATED

U. S. DEPARTMENT OF AGRICULTURE

NEG. 47129 BUREAU OF AGRICULTURAL ECONOMICS

THE LIVESTOCK AND MEAT SITUATION

Approved by the Outlook and Situation Board, January 27, 1950

SUMMARY

In mid-January the United States Department of Agriculture invited offers of pork to be purchased for price support purposes. Marketings of hogs were unusually large the first part of January. Midwest receipts the second week approached those of early December and exceeded any other week since 1944. Market prices of hogs rose slowly, scarcely keeping pace with the week-to-week increases in support guide levels. However, as late as the week ended January 28 market prices had remained equal to or above supports and no purchases of pork had been made. Any purchases under the announcement are to be confined to smoked hams, smoked pork shoulder picnics, and bacon, and will be used for school lunches and institutional feeding.

Hog marketings in the next month are expected to decrease more than seasonally. Hog prices are expected to rise. A moderate price rise is indicated by the schedule of support prices, which increase from $14.90 per 100 pounds, farmers' price basis, in January to $16.20 in March, the last month of the present support program. No announcement has been made regarding support of hog prices after March 31.

Marketings of hogs in February may be no larger than last year, but by April and May they will be considerably above the same months of last year. Larger August and September farrowings accounted for most of the 10 percent increase in the fall pig crop of 1949, and hogs from farrowings in those months will be marketed mostly in the 2-3 months beginning in April.

Prices of cattle of each grade have been steady for a number of weeks, with those of the top grades unusually high in relation to prices of the lower grades. Marketings of steers grading Good and better have been small, and Medium grades have predominated. As the feeding season progresses, the number of steers in the higher grades will increase, and their prices may decline moderately. No extreme drop is expected because the number of cattle on feed is practically unchanged from last winter and farmers report plans to market fed cattle later this year than they did in 1949.

The increase of 22,000 head or 0.5 percent in the number of cattle on feed this January 1 from last was made up of a 5 percent larger number in the North Central States, 12 percent more in Texas, and a substantially smaller number in the Western States.

The number of sheep and lambs on feed January 1 was down 7 percent from last year. Substantial increases occurred only in wheat-pasture areas of Texas, Oklahoma, and Kansas. Decreases were rather large in Iowa, Nebraska, Missouri, and Indiana; in California and a number of other Western States; and in New York. The reduction in the total number on feed was due to the smaller lamb crop.

Winter range conditions in the West have been better this year than last, and cattle and sheep have been in better condition. Severe storms occurred in the Northwest in January, but reported range losses throughout the West have been much smaller than a year earlier.

Cold storage holdings of pork were increased more in December 1949 than in December 1948, but holdings of pork and of all meat on January 1, 1950 were about average.

Production of pork in the January-March quarter will probably be a little larger than last year and production of beef a little smaller. Meat consumption per person for the quarter may be a fraction of a pound less than last year. Production and consumption in the second quarter, and in 1950 as a whole, are expected to be larger than last year.

Marketing charges, including processing and distribution costs, for individual meats increased slightly in 1949 over 1948. Prices of all meats except lamb were lower, and the percentage of the retail meat dollar going to marketing charges increased from 37 to 40 cents. The 60 cents received by farmers was considerably higher, however, than the 50 cents of the retail dollar received by them in 1937-41. Marketing charges are usually slow to change, and in the next few years when a gradually increasing output of meat is likely to bring a slow decline in retail prices, the farmers' share of the retail meat dollar may decrease somewhat more.

OUTLOOK

Hog Marketings Large in January; Prices Hover at Support Guides

Marketings of hogs increased rapidly the first part of January as the holiday season ended. In the week ended January 14, 912,000 head were received at 12 markets and by direct purchases in Iowa and southern Minnesota. This number was the most for any week since the spring of 1944 except for two weeks last December. The 1,552,000 head slaughtered under Federal inspection the week of January 14 was 13 percent above the same week last year and except for 3 weeks in December was the largest weekly slaughter since December 1947. Marketings fell off moderately the middle of January, but continued a little larger than those of corresponding weeks last year.

Average market weights have increased. Barrows and gilts received at 7 midwest markets the middle of January averaged about 240 pounds, up 5 pounds from the average of 235 pounds in December. The uptrend in weights this winter is about average for the season; a similar increase occurred in January 1949, and weights this January are still below those at the same time last year.

The large numbers of hogs marketed in January suggest that many farmers held back hogs in December for a seasonal rise in price after the first of the year. A higher price was expected on the basis of usual market trends but was made more likely by the seasonal adjustments in announced price support levels. An advance in market prices that began in

early January scarcely kept pace with the increases in support guides. Prices at 7 markets the week ended January 14 were almost exactly the same as the support guide, and the following week were only 7 cents above the guide. On January 17 the Production and Marketing Administration invited packers to submit offers for sale of pork, which it could accept in supporting market prices of hogs. Purchases were to be confined to smoked hams, smoked pork shoulder picnics, and bacon because those cuts store well and are adapted for school lunch and institutional distribution, which were expected to be the initial outlets for pork purchased in support operations. With market prices holding at or above the weekly guides, as late as January 28 no purchases had been made.

The USDA's announcement pointed out that orderly marketing of hogs by farmers can be the most important single factor in maintaining hog prices above support levels, and that price support purchases will not be fully effective if market gluts occur.

Price Discount for Heavy Hogs Widens

As average market weights of hogs became heavier, price differentials widened between medium and heavy weights. During much of last fall the differentials were rather narrow despite a weak demand for lard and fat cuts, chiefly because the supply of light to medium weight barrows and gilts increased greatly and heavier hogs became comparatively scarcer. In 3 weeks of January the differential between 200-220 and 240-270 pound barrows and gilts at Chicago averaged $1.07 per 100 pounds or 7.1 percent. In January last year the differential was 7.7 percent, and in 1937-41 the average for the month was 4.0 percent (table 1).

Cattle Prices Steady; Medium Grades Predominate in Steer Marketings

Prices of beef steers for slaughter have been unusually steady in all grades the last three months. Choice and Prime beef steers at Chicago have averaged around $37.00 per 100 pounds, Good steers $29.00, Medium $24.00, and Common $19-20.00. (table 2). Compared with last year, the price spreads between grades are unusually wide. In 3 weeks of January, Choice steers averaged $7.18 above the price a year earlier, but Medium steers were only $1.62 higher than last year.

Premium prices for Good and Choice steers have been brought about by small marketings of these grades, and have had a limited effect in holding over-all average cattle prices much above those last year. The average price for all steers at Chicago in 3 weeks of January was $26.33, only $1.98 above the $24.35 received in January last year, and the United States average price received by farmers for all beef cattle in mid-January was $.60 lower than the $20.00 received a year earlier.

Medium grades have predominated in receipts of beef steers for slaughter at the 3 markets for which data are reported. At Chicago in December, 62 percent were graded Medium, the highest percentage of that grade for any month since February 1947. In the previous December, 34 percent were Medium.

Table 1.- Average weight of barrows and gilts and relationship of prices per 100 pounds of heavy barrows and gilts to prices of medium weights, Chicago, by months, average 1937-41, annual 1949

Month	1937-41 average					1949				
	Average weight	Price per 100 pounds, Barrows & gilts, Good & Choice				Average weight	Price per 100 pounds, Barrows & gilts, Good & Choice			
		200-220 pounds	240-270 pounds 1/	Differential			200-220 pounds	240-270 pounds 1/	Differential	
	Pounds	Dollars	Dollars	Dollars	Percent 2/	Pounds	Dollars	Dollars	Dollars	Percent 2/
January	3/ 237	7.97	7.66	+0.31	+ 4.0	255	21.36	19.84	+1.52	+ 7.7
February	3/ 243	8.11	7.84	+ .27	+ 3.4	254	20.94	19.81	+1.13	+ 5.7
March	3/ 249	8.14	7.96	+ .18	+ 2.3	256	21.48	20.65	+0.83	+ 4.0
April	3/ 247	8.01	7.88	+ .13	+ 1.6	250	19.14	18.72	+ .42	+ 2.2
May	3/ 244	8.27	8.18	+ .09	+ 1.1	257	19.26	19.03	+ .23	+ 1.2
June	3/ 240	8.53	8.39	+ .14	+ 1.7	250	21.51	20.89	+ .62	+ 3.0
July	3/ 238	9.47	9.13	+ .34	+ 3.7	242	22.30	21.42	+ .88	+ 4.1
August	3/ 236	9.39	9.07	+ .32	+ 3.5	231	21.91	21.73	+ .18	+ 0.8
September	224	9.58	9.50	+ .08	+ 0.8	215	20.95	21.25	- .30	- 1.4
October	220	8.53	8.53	0	0	222	18.15	18.34	- .19	- 1.0
November	224	7.82	7.80	+ .02	+ 0.3	232	16.29	16.05	+ .24	+ 1.5
December	231	7.71	7.51	+ .20	+ 2.7	239	15.97	15.17	+ .80	+ 5.3
Year	234	8.46	8.29	+ .17	+ 2.1	242	19.94	19.41	+ .53	+ 2.7

1/ 250-290 pounds prior to July 1939.
2/ Percent of price for 200-220 pound hogs.
3/ Average of weights for 4 years.

Table 2.- Price of slaughter steers by grades at Chicago and of all beef cattle as received by farmers, and number and percentage distribution by grades of slaughter steers received at Chicago, September-January, 1948-49 and 1949-50

Month	1948-49 Price at Chicago of beef steers for slaughter: Choice and Prime	Good	Medium	Common	All grades	1948-49 Average price received by farmers for beef cattle	1949-50 Price at Chicago of beef steers for slaughter: Choice and Prime	Good	Medium	Common	All grades	1949-50 Average price received by farmers for beef cattle
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
September	38.91	34.49	27.59	22.63	34.03	23.30	31.33	28.22	23.01	17.83	28.11	20.00
October	37.06	32.24	25.95	21.68	32.05	21.20	34.27	29.63	23.24	18.48	28.93	19.50
November	36.28	30.68	25.80	22.01	30.71	20.80	36.25	29.35	24.26	19.02	28.21	19.20
December	32.56	27.82	24.09	21.28	26.78	20.40	37.77	29.91	24.50	19.23	26.47	19.00
January 1/	29.41	24.72	22.41	20.49	24.35	20.00	37.13	28.55	24.29	20.04	26.33	19.40
February	25.61	22.99	20.49	18.39	22.25	18.70						
March	25.88	24.19	22.58	21.21	24.14	20.50						
	Number of slaughter steers received at Chicago											
	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head		1,000 head	1,000 head	1,000 head	1,000 head	1,000 head	
September	16.6	29.8	11.3	4.4	62.1		24.3	42.7	16.7	2.1	86.0	
October	12.4	25.7	6.9	4.2	49.2		18.2	39.4	21.5	2.6	81.7	
November	12.2	34.2	11.0	3.1	60.5		10.9	30.4	29.3	2.2	72.8	
December	5.6	34.8	22.9	3.8	67.1		2.0	17.8	37.1	2.9	59.7	
January 1/	6.3	44.8	23.4	3.3	77.8		1.7	17.0	26.7	1.5	46.9	
February	6.5	37.9	29.4	2.1	75.9							
March	15.9	49.4	19.3	2.6	87.2							
	Percentage distribution by grades of receipts at Chicago											
	Percent	Percent	Percent	Percent	Percent		Percent	Percent	Percent	Percent	Percent	
September	26.7	48.0	18.3	7.0	100.0		28.3	49.7	19.5	2.5	100.0	
October	25.2	52.1	14.1	8.6	100.0		22.3	48.2	26.3	3.2	100.0	
November	20.1	56.5	18.2	5.2	100.0		15.0	41.8	40.2	3.0	100.0	
December	8.3	51.9	34.1	5.7	100.0		3.3	29.8	62.1	4.8	100.0	
January 1/	8.1	57.6	30.1	4.2	100.0		3.6	36.2	56.9	3.3	100.0	
February	8.6	50.0	38.7	2.7	100.0							
March	18.3	56.6	22.1	3.0	100.0							

1/ For January 1950, data are averages for first 3 weeks.

In most years Medium steers form a larger part of steers marketed at this season than at any other time of the year. In spring and summer months, cattle are marketed after a longer feeding period and therefore carry more finish and are graded higher. The percentage of Medium grade cattle may have been above average this year because a larger number of cattle apparently were marketed after a relatively small grain feed, and because some feeders, remembering the February price breaks in each of the last two years, may have marketed stock early this year. However, in another sense the percentage of Medium grades may have been high because a larger number of cattle were classified as high Medium, just below the dividing line between Medium and Good. That Medium steers perhaps were in above-average finish for that grade is suggested by their heavy weights this winter--1,061 pounds at Chicago in December, the heaviest average for that grade since October 1933. Heavy weight is usually associated with higher finish.

Meat Production to be About Equal to Last Year Through First 3-4 Months

The quantity of meat produced may be about the same as a year earlier in the first quarter, but later is likely to exceed 1949 levels. Bases for this prospect are (1) the monthly distribution of farrowing dates for the 1949 fall pig crop, which shows that the increase in number of sows farrowing last fall was concentrated in August-September and was small in other months; and (2) the later dates of expected marketings of fed cattle.

In 3 weeks of January, 4 percent more hogs were slaughtered under Federal inspection than in the same weeks of 1949. It is likely that the increase for all commercial hog slaughter in the entire month was slightly less than 4 percent, which would be the smallest increase reported for any month since last July. Last August, 35 percent more hogs were slaughtered commercially than in August 1948. The percentage comparison became smaller each month thereafter (table 3).

The large increase in the number of hogs slaughtered last August had two origins: Feeding for faster growth and marketing at lighter weights, resulting in a younger age of marketing than a year before; and the earlier dates of spring farrowings in 1949 than in 1948. Although 15 percent more sows farrowed in the spring of 1949, three-fourths of the increase in numbers came before April 1. In April and May, the number of sows farrowing was up only 8.6 and 3.2 percent, respectively.

The fall pig crop of 1949 was 10 percent larger than the 1948 fall crop, but the difference was concentrated in the major farrowing months of August and September. In the beginning and ending months of the fall season, June and November, the increases were only 1.5 and 0.5 percent.

Table 3.- Change from previous year in number sows farrowing by months compared with change in number hogs slaughtered commercially 8 months later, 1948-49

Month	Number sows farrowed 1948	1947	Percent change	Month	Number of hogs slaughtered commercially, 8 months lag 1949	1948	Percent change
	1,000 head	1,000 head			1,000 head	1,000 head	
Nov.	398	342	+ 16.4	July	3,809	3,771	+ 1.0
Dec.	304	263	+ 15.6	Aug.	4,187	3,104	+34.9
	1949	1948					
Jan.	471	367	+ 28.3	Sept.	4,749	3,699	+28.4
Feb.	1,001	762	+ 31.4	Oct.	5,895	5,084	+16.0
Mar.	2,655	2,150	+ 23.5	Nov.	7,105	6,496	+ 9.4
Apr.	3,122	2,874	+ 8.6	Dec.	7,622	7,322	+ 4.1
5-month total	7,553	6,416	+ 17.7	5-month total	29,558	25,705	+15.0
May	1,597	1,548	+ 3.2				
June	753	742	+ 1.5				
July	639	582	+ 9.8				
Aug.	1,208	1,002	+ 20.6				
Sept.	1,801	1,549	+ 16.3				
Oct.	925	885	+ 4.5				
Nov.	400	398	+ 0.5				

Since farrowings in 1949 compared with the previous year increased least in May-June, slaughter this winter will likely show the smallest gain over last year in January-March. Slaughter during February will probably fall off at more than an average seasonal rate, and the February total may be little different from last year. The quantity of pork produced in February could be moderately below last year, since slaughter weights may continue lighter than in matching weeks of 1949. March slaughter is expected to be somewhat larger than last year, and a big increase over 1949 is expected in April and May. In contrast with last year when March slaughter was one-tenth or more larger than April or May slaughter, this year slaughter in April and perhaps even in May could surpass March.

Slightly More Cattle on Feed January 1; Expected Marketing Dates Later

The 4,552,000 cattle reported on feed January 1 this year was a new high. This year's number was 22,000, or 0.5 percent, more than on the same date of 1949. The North Central States had 5 percent more on feed and Texas had 12 percent more, but each Western State had fewer on feed this year than last. In Colorado the reduction was 6 percent, and in California 24 percent.

In the North Central region, increases were reported for all States except Minnesota, Nebraska, and Kansas.

Table 4.- Number of cattle and calves, and sheep and lambs, on feed January 1, by regions, 1932 to date

Year	Penna.	North Central States: East North Central	North Central States: West North Cent.: Corn Belt 1/	North Central States: West North Cent.: 4 Plains 2/	Texas and Oklahoma	Western States: Colorado	Western States: California	Western States: Other Western	United States
	Cattle and calves								
	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head
1932	53	618	1,013	726	160	90	60	158	2,878
1933	53	687	1,105	813	143	75	61	143	3,080
1934	56	593	1,083	735	98	96	77	152	2,890
1935	76	579	890	339	60	87	71	113	2,215
1936	84	750	1,130	640	145	120	100	233	3,202
1937	84	740	947	333	125	144	138	248	2,759
1938	92	840	1,199	452	192	143	152	266	3,336
1939	78	855	1,166	530	194	125	125	230	3,303
1940	74	944	1,330	522	194	135	163	271	3,633
1941	72	1,002	1,509	639	230	138	169	306	4,065
1942	70	961	1,521	772	251	162	128	320	4,185
1943	80	993	1,612	928	264	160	154	254	4,445
1944	75	905	1,517	802	172	158	134	252	4,015
1945	70	907	1,642	1,020	210	160	125	277	4,411
1946	82	888	1,500	948	166	176	149	302	4,211
1947	90	961	1,552	904	171	146	166	317	4,307
1948	85	850	1,250	744	165	180	209	338	3,821
1949	88	939	1,501	965	214	192	258	373	4,530
1950 3/	88	1,045	1,629	914	216	180	196	284	4,552

Year	New York	11 Corn Belt States 4/: East	11 Corn Belt States 4/: West	Western States 5/	United States
	Sheep and lambs				
1932	60	1,020	2,193	2,947	6,220
1933	50	925	1,990	2,786	5,751
1934	45	812	2,000	2,402	5,259
1935	50	1,040	2,330	2,249	5,669
1936	50	1,177	2,085	2,389	5,701
1937	50	1,203	1,590	2,754	5,597
1938	45	1,368	1,913	2,765	6,091
1939	45	1,194	2,007	2,639	5,885
1940	40	1,172	1,987	2,642	5,841
1941	54	1,186	2,492	2,744	6,479
1942	45	1,083	2,761	2,978	6,867
1943	49	1,049	3,260	2,596	6,954
1944	44	1,031	2,931	2,506	6,512
1945	36	950	3,404	2,521	6,911
1946	37	1,033	3,182	2,585	6,837
1947	35	821	2,872	1,965	5,693
1948	25	840	2,003	1,983	4,851
1949	25	697	1,771	1,510	4,003
1950 3/	20	699	1,685	1,329	3,733

1/ Minn., Iowa, Mo. 2/ N. Dak., S. Dak., Nebr., Kansas. 3/ Preliminary.
4/ North Central States except N. Dak. 5/ Eight mountain States, 3 Pacific States, Texas, Oklahoma, and N. Dakota.

Cattle on feed in the Corn Belt were lighter in weight this January than last. About 31 percent were under 600 pounds, and 27 percent over 900 pounds. Last year, 23 percent were under 600 pounds, and 34 percent topped 900 pounds. As might be expected from this distribution of weights, feeders reported their intentions to market cattle later this year than last. They intend to market only 33 percent of the January 1 number before April 1. Their plans last year were for marketing 42 percent by the latter date. Actual marketings last year were even earlier than the intentions, and the monthly pattern of cattle marketings in 1949 was notable for its early peaks. Peak marketings in 1950 are expected to come later than last year.

Cattle slaughter under Federal inspection in 3 weeks of January was the same as that a year earlier, but average slaughter weights were heavier and beef production was 4 percent larger than last year.

A small seasonal decline in cattle slaughter and beef production is expected in the next month or two, and both are expected to be slightly below year-ago levels. In the spring and summer, when the seasonal downtrend will be reversed, the quantity of beef produced may be equal to or a little larger than last year. The supply of beef, especially of the better quality produced from grain-fed cattle, is most likely to increase substantially over last year in late summer and early fall, the season when 1949 marketings were comparatively small.

Meat Consumption per Person in First Quarter May Fall Short of Last Year

With a little more pork in prospect but a little less beef, and the population larger, civilian consumption of meat per person in the January-March quarter may be a fraction of a pound less than last year. In the second quarter, consumption may exceed last year by around one pound per person. In the second half of 1950 consumption per person is expected to be larger than in the same period of 1949, but the quarterly distribution of the gain will depend on whether late-summer production of beef and pork is again unusually large. It is possible that the third quarter consumption will show little or no gain over last year, but that considerably more meat will be produced and consumed in the fourth quarter of 1950 than of 1949.

Price Increase for Hogs, Decline for Top Grade Cattle, Likely in Next 1-2 Months

A continued seasonal rise in prices of hogs is expected in the next month or two. The schedule of support prices indicates a moderate increase. Guides for barrows and gilts at 7 midwest markets rise from $15.50 per 100 pounds in late January to $16.40 by the end of February and will be $16.65 in all of March. Possibilities of a sharper than usual reduction in hog marketings in February indicate that prices may rise faster than the step-up in support guides.

No announcement regarding support to hog prices after March 31 has been made.

A moderate seasonal decline in prices of the highest grades of cattle is likely in weeks ahead, since the market supply of cattle of those grades will increase. The expected decline would close somewhat the very wide spread between prices of Choice and Common steers. In view of the prospective later dates of marketing of fed cattle this year, no extreme price decline for Good and Choice grades is likely.

Meat Consumption in 1949 Estimated at 145 Pounds Per Person

Preliminary estimates for the entire year of 1949 indicate that meat production was 1 1/2 percent larger than in 1948. Imports were smaller, as less beef was received from Argentina. Since the population was larger by more than 2 millions, average consumption of meat per person dropped slightly from 146 pounds in 1948 to 145 pounds in 1949.

Consumption in 1950 will probably be 2-3 pounds per person larger than the 1949 average.

7 Percent Fewer Sheep and Lambs on Feed January 1

On January 1 this year 7 percent fewer sheep and lambs were on feed than a year ago. The estimated number of 3,733,000 was 270,000 less than last year and the smallest number on feed since 1922. Reductions were reported for such Corn Belt States as Iowa, Missouri, Nebraska, and Indiana; for California and a number of other Western States; and for New York. The largest increases occurred in Kansas, Texas, Colorado, Oklahoma, and Wisconsin.

In the Corn Belt as a whole, 3 percent fewer sheep and lambs were on feed this January 1 than last, but the reduction for all the area except Kansas amounted to 9 percent. In the wheat pasture areas of the Great Plains, the total number of lambs on feed is larger than last year. The number in Kansas wheat pastures is up to 394,000 from 202,000 last January. However, the 1950 number is far below the 900,000 head pastured there 3 years ago. The smallness of the supply of feeder lambs restricted feeding on wheat pastures as well as in other areas. Wheat pasture feeding in Nebraska and Colorado is on a low level, but that in Texas and Oklahoma is larger than last year.

In the West, the number of sheep and lambs on feed in Colorado is slightly above 1949, in California is down 16 percent and in every other Western State except Oregon is lower than last year.

The 7 percent reduction in the number of sheep and lambs on feed reflected mainly the smaller lamb crop in 1949. In the 13 Western States, source of most of the lambs for feeding, the crop was 5 percent smaller than a year before. Numbers of ewes and of all sheep and lambs declined steadily from 1942 to 1948, and may have been reduced somewhat more in 1949. As a consequence, the numbers of lambs raised and marketed, and supplies of lamb and mutton for consumption, are now very much smaller than they were a decade ago.

The fewer sheep and lambs on feed promise a smaller output **of mutton** and lamb for consumption in the first part of 1950 than a year earlier. The lower level is likely to continue through the rest of the year; even in case the lamb crop is nearly as large this year as last, more lambs are expected to be retained for breeding herds this year, and fewer marketed for slaughter. The rate of consumption of **mutton and lamb** per person in 1950 will probably be even lower than the record-low of 4.1 pounds in 1949.

Western Range Conditions Favorable, Condition of Livestock Good to January 1

Winter range feed conditions in the West were generally good during December. They were much better than in December last year. Cattle and sheep were reported in good to very good condition. Heavy snows in the Northwest in January caused some shrinkage and losses of livestock, but conditions in the West as a whole have been much less severe than in the winter of 1948-49, when recurring storms began early and caused severe damage to herds in some areas.

239 Million Pounds of Meat Into Cold Storage in December; January 1 Pork Stocks Close to Average

During December cold-storage holdings of meat were increased 239 million pounds. The net in-movement of 180 million pounds of pork was twice the quantity added in November and 20 millions more than that in December last year. Total holdings of 478 million pounds of pork on January 1 were 2 percent larger than last year and approximately average for the date, but perhaps less than might have been expected in view of the large quantity of pork produced this fall and winter.

Cold storage holdings of beef were increased 32 million pounds in December to reach 123 millions on January 1, the third-smallest holding for the date in 10 years.

MARKETING MARGINS FOR 1949

Marketing Charges For Each Meat Slightly Higher in 1949

Marketing charges for individual meats increased slightly in 1949 over 1948, according to estimates of the Bureau of Agricultural Economics.1/ Except for lamb, prices of meats averaged somewhat lower. Hence, the marketing charge was a larger percentage of retail prices last year than in 1948, and the farmers' share of the retail meat dollar was smaller. The farmers' share of the retail meat dollar has decreased from 73 cents in 1945, when it was affected by price controls and increased by subsidy payments, to an estimated 60 cents in 1949. The 1949 share, however, remained considerably above the 1937-41 average of 50 cents (tables 5 and 6).

1/ Basic data published in Been, R. O., Price Spreads Between Farmers and Consumers, Agricultural Information Bulletin No. 4, BAE, USDA, Washington, 1949; and in the monthly Marketing and Transportation Situation.

Table 5. - Average retail price of meats, farm value, and marketing charges, United States, by years 1936-49, by months 1949

Year or month	Retail price 1/	Net farm value 2/	Margin	Government processor payments 3/	Marketing charge 4/	Government payments to producers 5/	Adjusted farm value 6/
	All meat products, per pound						
	Cents	Cents	Cents	Cents	Cents	Cents	Cents
By years:							
1936	26.3	12.4	13.9	---	13.9	---	12.4
1937	28.5	13.7	14.8	---	14.8	---	13.7
1938	25.1	12.0	13.1	---	13.1	---	12.0
1939	24.4	11.6	12.8	---	12.8	---	11.6
1940	23.3	11.4	11.9	---	11.9	---	11.4
1941	26.6	15.1	11.5	---	11.5	---	15.1
1942	30.9	19.7	11.2	---	11.2	---	19.7
1943	32.0	21.6	10.4	1.1	11.5	---	21.6
1944	30.4	20.1	10.3	1.9	12.2	---	20.1
1945	30.0	21.8	8.2	2.8	11.0	0.2	22.0
1946	38.5	26.3	12.2	1.8	14.0	0.2	26.5
1947	55.4	35.4	20.0	---	20.0	---	35.4
1948	62.0	39.0	23.0	---	23.0	---	39.0
1949 7/	56.0	33.8	22.2	---	22.2	---	33.8
By months, 1949:							
Jan.	57.2	34.7	22.5	---	22.5	---	34.7
Feb.	52.1	33.3	18.8	---	18.8	---	33.3
Mar.	54.1	35.5	18.6	---	18.6	---	35.5
Apr.	55.5	35.3	20.2	---	20.2	---	35.3
May	54.9	34.8	20.1	---	20.1	---	34.8
June	57.8	35.3	22.5	---	22.5	---	35.3
July	56.9	34.5	22.4	---	22.4	---	34.5
Aug.	57.7	33.7	24.0	---	24.0	---	33.7
Sept.	58.8	34.7	24.1	---	24.1	---	34.7
Oct.	57.4	32.7	24.7	---	24.7	---	32.7
Nov.	55.5	31.1	24.4	---	24.4	---	31.1
	Beef (Good grade), per pound						
By years:							
1936	27.8	14.3	13.5	---	13.5	---	14.3
1937	31.6	19.3	12.3	---	12.3	---	19.3
1938	27.9	14.7	13.2	---	13.2	---	14.7
1939	28.6	15.7	12.9	---	12.9	---	15.7
1940	28.7	16.9	11.8	---	11.8	---	16.9
1941	30.7	18.6	12.1	---	12.1	---	18.6
1942	34.1	23.0	11.1	---	11.1	---	23.0
1943	35.2	25.7	9.5	1.1	10.6	---	25.7
1944	33.4	26.3	7.1	2.0	9.1	---	26.3
1945	32.7	26.4	6.3	3.9	10.2	0.4	26.8
1946	41.8	33.2	8.6	2.6	11.2	0.3	33.5
1947	61.1	44.2	16.9	---	16.9	---	44.2
1948	73.7	53.0	20.7	---	20.7	---	53.0
1949 7/	66.8	45.4	21.4	---	21.4	---	45.4
By months, 1949:							
Jan.	68.5	43.9	24.6	---	24.6	---	43.9
Feb.	60.3	39.5	20.8	---	20.8	---	39.5
Mar.	63.3	42.8	20.5	---	20.5	---	42.8
Apr.	64.1	43.4	20.7	---	20.7	---	43.4
May	64.6	43.1	21.5	---	21.5	---	43.1
June	68.4	44.8	23.6	---	23.6	---	44.8
July	67.7	43.5	24.2	---	24.2	---	43.5
Aug.	67.8	44.5	23.3	---	23.3	---	44.5
Sept.	69.0	48.7	20.3	---	20.3	---	48.7
Oct.	69.6	50.6	19.0	---	19.0	---	50.6
Nov.	69.6	52.0	17.6	---	17.6	---	52.0

1/ Calculated from "market basket" of 335.4 pounds of meat and meat products consisting of 135.6 pounds of beef, 16.7 pounds of lamb, 157.5 pounds of pork, including lard, and 25.6 pounds of other meat products. Source material reported in "Price Spreads between farmers and consumers, 1935-49", USDA Agricultural Information Bulletin No. 4, November 1949, and current issues of The Marketing and Transportation Situation.
2/ Farm value of live animal weight and grade necessary to produce 1 pound of meat products at retail minus the computed value of byproducts obtained from the live animals, other than the edible byproducts included in the average retail price of all meat products. It requires 2.16 pounds of cattle to produce 1 pound of beef at retail and 2.16 pounds of live lambs are required to produce 1 pound of lamb at retail. It takes 1.41 pounds live hog to produce 1 pound of pork and lard at retail. (Footnotes continued on page 15.)

Table 5. - Average retail price of meats, farm value, and marketing charges, United States, by years 1936-49, by months 1949 - Continued

Year or month	Retail price 1/	Net farm value 2/	Margin	Government processor payments 3/	Marketing charge 4/	Government payments to producers 5/	Adjusted farm value 6/
	Cents	Cents	Cents	Cents	Cents	Cents	Cents
	Pork, including lard, per pound						
By years:							
1936	23.5	13.0	10.5	---	10.5	---	13.0
1937	24.2	13.5	10.7	---	10.7	---	13.5
1938	21.1	10.8	10.3	---	10.3	---	10.8
1939	18.9	8.8	10.1	---	10.1	---	8.8
1940	16.5	7.5	9.0	---	9.0	---	7.5
1941	21.2	12.7	8.5	---	8.5	---	12.7
1942	26.2	18.2	8.0	---	8.0	---	18.2
1943	27.2	19.2	8.0	1.0	9.0	---	19.2
1944	25.6	18.2	7.4	1.8	9.2	---	18.2
1945	25.6	19.6	6.0	2.2	8.2	---	19.6
1946	33.4	24.0	9.4	1.4	10.8	---	24.0
1947	47.2	33.6	13.6	---	13.6	---	33.6
1948	47.5	32.4	15.1	---	15.1	---	32.4
1949 7/	41.1	25.7	15.4	---	15.4	---	25.7
By months, 1949:							
Jan.	42.9	27.9	15.0	---	15.0	---	27.9
Feb.	40.4	27.2	13.2	---	13.2	---	27.2
Mar.	41.4	27.8	13.6	---	13.6	---	27.8
Apr.	41.7	25.9	15.8	---	15.8	---	25.9
May	40.0	24.9	15.1	---	15.1	---	24.9
June	41.9	26.1	15.8	---	15.8	---	26.1
July	41.3	26.8	14.5	---	14.5	---	26.8
Aug.	43.2	27.0	16.2	---	16.2	---	27.0
Sept.	44.5	27.7	16.8	---	16.8	---	27.7
Oct.	41.6	24.5	17.1	---	17.1	---	24.5
Nov.	37.9	21.7	16.2	---	16.2	---	21.7
	Lamb, per pound						
By years:							
1936	27.1	13.6	13.5	---	13.5	---	13.6
1937	28.4	14.5	13.9	---	13.9	---	14.5
1938	26.4	12.3	14.1	---	14.1	---	12.3
1939	26.4	13.2	13.2	---	13.2	---	13.2
1940	26.1	13.4	12.7	---	12.7	---	13.4
1941	27.8	15.4	12.4	---	12.4	---	15.4
1942	32.4	19.2	13.2	---	13.2	---	19.2
1943	35.9	21.9	14.0	0.9	14.9	---	21.9
1944	35.1	21.2	13.9	1.6	15.5	---	21.2
1945	35.2	22.0	13.2	0.9	14.1	1.4	23.4
1946	42.1	26.8	15.3	---	15.3	2.2	29.0
1947	56.7	37.3	19.4	---	19.4	---	37.3
1948	64.3	42.1	22.2	---	22.2	---	42.1
1949 7/	67.6	41.4	26.2	---	26.2	---	41.4
By months, 1949:							
Jan.	61.2	38.8	22.4	---	22.4	---	38.8
Feb.	59.7	37.4	22.3	---	22.3	---	37.4
Mar.	60.9	41.9	19.0	---	19.0	---	41.9
Apr.	75.4	47.5	27.9	---	27.9	---	47.5
May	75.6	47.9	27.7	---	27.7	---	47.9
June	77.4	46.6	30.8	---	30.8	---	46.6
July	72.4	42.6	29.8	---	29.8	---	42.6
Aug.	69.4	39.2	30.2	---	30.2	---	39.2
Sept.	66.9	39.8	27.1	---	27.1	---	39.8
Oct.	63.8	39.0	24.8	---	24.8	---	39.0
Nov.	62.5	38.9	23.6	---	23.6	---	38.9

3/ Government payments were made to slaughterers of hogs, cattle, calves, sheep and lambs beginning June 1943 and continuing for most classes through June 1946, and again in September and the first half of October 1946.
4/ "Adjusted margin". Equals margin plus Government payments to slaughterers.
5/ Government payments to hog producers in 1933-36 were made under the AAA hog and corn reduction program. In 1945 and 1946 payments were made to sheep and lamb producers for sheep and lambs sold for immediate slaughter and payments previously made to processors of sheep and lambs were withdrawn. Also in 1945 and the first half of 1946 payments were made to farmers for cattle sold for immediate slaughter at weights above 800 pounds and prices above designated amounts.
6/ Net farm value plus Government payments to livestock producers.
7/ Preliminary estimate.

Table 6.- Net farm value as percentage of retail price of meat products, by years 1936-49, by months 1949 to date
(Data for cover page chart)

Year and month	All meat products	Beef (good grade)	Pork (incl. lard)	Lamb
	Percent	Percent	Percent	Percent
By years:				
1936	47.1	51.4	55.3	50.2
1937	48.1	61.1	55.8	51.1
1938	47.8	52.7	51.2	46.6
1939	47.5	54.9	46.6	50.0
1940	48.9	58.9	45.5	51.3
1941	56.8	60.6	59.9	55.4
1942	63.8	67.4	69.5	59.3
1943 1/	67.5	73.0	70.6	61.0
1944 1/	66.1	78.7	71.1	60.4
1945 1/ 2/	72.7	80.7	76.6	62.5
1946 1/ 2/	68.3	79.4	71.9	63.7
1947	63.9	72.3	71.2	65.8
1948	62.9	71.9	68.2	65.5
1949 3/	60.4	68.0	62.5	61.6
By months, 1949:				
January	60.7	64.1	65.0	63.4
February	63.9	65.5	67.3	62.6
March	65.6	67.6	67.1	68.8
April	63.6	67.7	62.1	63.0
May	63.4	66.7	62.2	63.4
June	61.1	65.5	62.3	60.2
July	60.6	64.3	64.9	58.8
August	58.4	65.6	62.5	56.5
September	59.0	70.6	62.2	59.5
October	57.0	72.7	58.9	61.1
November	56.0	74.7	57.3	62.2

1/ In 1943-45 Government payments to slaughterers reduced the retail price of meat and therefore increased the percentage of the retail price received by producers of livestock. 2/ In 1945 and 1946 the total return to farmers ("adjusted farm value") was a somewhat larger part of the retail price of beef, lamb, and all meat than the figures shown here, because of Government payments made to feeders of cattle and sheep. 3/ Preliminary estimates.

The marketing charge per pound of meat is the difference between the average price of 1 pound of meat at retail and the farm value of an equivalent quantity and grade of live animal, as adjusted for the value of by-products and, in certain years, for Government payments to processors and for processing taxes.

Price data for all meats combined include estimates for miscellaneous processed and canned meat products and sausage and apply more nearly to all grades and qualities of the meats and live animals sold in any year than do data for individual meats. Price data for beef cuts and beef cattle alone apply mainly to Good grade carcass cuts. For these reasons data for all meats do not reflect exactly the trends for individual meats.

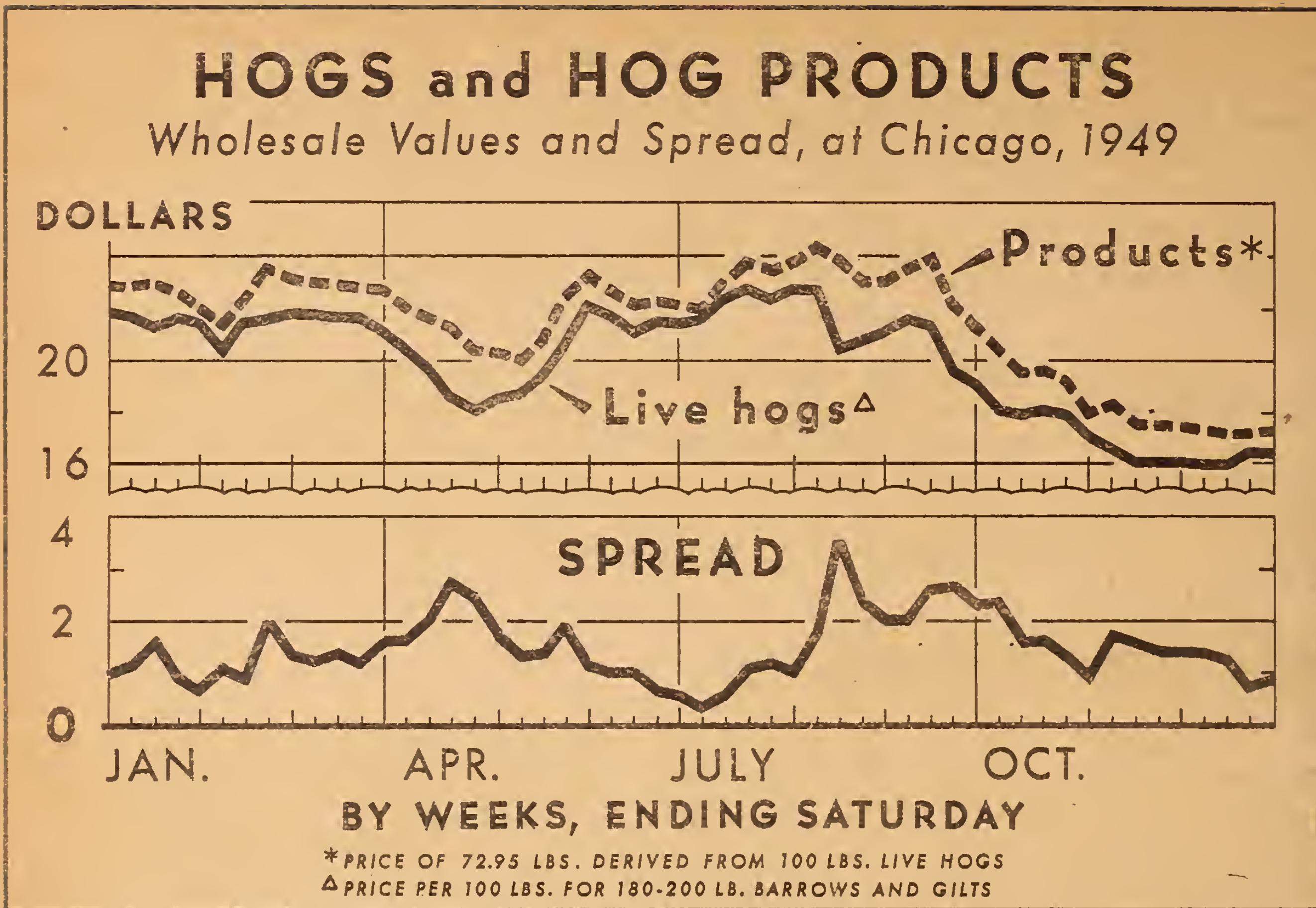
The marketing charge, which is sometimes called "adjusted margin", covers the entire marketing process including the transportation, marketing and slaughter of livestock and the processing, transportation, wholesaling and retailing of meat. Marketing charges tend to change more slowly than prices of meats and livestock, and to continue a trend in one direction longer than do meat and livestock prices. Although it is not possible by statistical analysis of available data to account completely for the behavior of marketing margins, it is known that many costs in marketing such as labor, rents, materials and supplies, transportation charges, taxes and interest are relatively fixed over short periods of time.

Moreover, charges do not necessarily pay for identical services in all years. There is evidence, for instance, that marketing charges nowadays may pay for more inspection of meat as to sanitation and grade, and for better preparation and packaging, including packaging for self-service, than they used to. On the other hand, certain services such as credit and home delivery may be less common.

Live Hog-Wholesale Pork Price Spread Variable By Weeks in 1949

Prices of meat at retail and of live animals tend to change in like direction month to month (see table 5). Wholesale prices of meats usually follow trends similar to those of retail and live animal prices. Within shorter periods of time, however, there can be considerable difference between trends in prices at various marketing levels. When prices of live animals and of meat do not move together, the spread between them is highly variable. Comparisons between the wholesale value of 72.95 pounds of hog products, fresh basis, and the market price of hogs per 100 pounds, both at Chicago, show that the spread between the two prices last year ranged from 30 cents the week of July 9 to $3.52 the week of August 20. (table 7, figure 1). This spread as calculated only from prices of fresh pork products is lower than it would be if prices of some cured products were used.

It is not intended here to explain the causes for week-to-week differences in price changes for pork products and for live hogs. Frequently the position of packers each week in needing livestock in order to continue a scale of operations previously begun is important in affecting the prices they bid. Many other factors, including doubtlessly the tenor of market trends from day to day, enter into the changes in price spreads. Another reason, however, is the necessity for packer buyers to bid for hogs not according to current wholesale and retail prices of pork products but according to expectations of those prices after the hogs are converted into the dressed products. Sometimes the expectations do not prove accurate, and a change in prices of live hogs is not fully reflected in similar changes either immediately or later in prices of pork products. In April, mid-August, and late September 1949, price declines for live hogs were not matched in pork product prices soon thereafter. On the other hand, in June and October hog prices showed more strength than could be justified by later changes in wholesale prices.



U. S. DEPARTMENT OF AGRICULTURE NEG. 47504-XX BUREAU OF AGRICULTURAL ECONOMICS

Marketing Charges to be Important Factor in Meat Animal Prices in Years Ahead

Total meat production is on a slow uptrend. Its gradual rise will probably be accompanied by a slow downtrend in prices of meats and of meat animals. The amount of change in prices of live animals received by farmers when retail prices decline will depend considerably on the trend in marketing, processing and distribution charges. Marketing charges, in turn, will be related to unit costs of marketing expenses, to the efficiency and competitiveness in marketing agencies, and to the quantity of services rendered. If the total marketing charge should continue to increase, each decline in retail meat prices would be followed by a sizable reduction in prices received by farmers. If on the other hand the marketing charge should stabilize or decrease somewhat, farmers' prices of meat animals would change only moderately more than retail prices of meats and the percentage of the retail meat dollar returned to the farmers would remain above its prewar average. One hopeful factor in this latter possibility is that the expected increase in meat production will itself lead to more efficiency and a reduced marketing cost per pound produced.

Table 7.- Average wholesale value of hog products derived from 100 pounds of live hogs compared with prices of live hogs, Chicago, by weeks, 1949

Date		Hog product value 1/	Price of live hogs	Spread	Date		Hog product value 1/	Price of live hogs	Spread
		Dollars	Dollars	Dollars			Dollars	Dollars	Dollars
1949									
Jan.	1	23.11	22.52	+ 0.59	July	2	21.99	21.43	+ 0.56
	8	22.78	21.78	+ 1.00		9	21.89	21.59	+ 0.30
	15	22.76	21.65	+ 1.11		16	22.88	22.35	+ 0.53
	22	22.85	21.26	+ 1.59		23	23.75	22.72	+ 1.03
	29	22.49	21.60	+ 0.89		30	23.36	22.22	+ 1.14
Feb.	5	21.98	21.38	+ 0.60	Aug.	6	23.76	22.75	+ 1.01
	12	21.33	20.30	+ 1.03		13	24.32	22.62	+ 1.70
	19	22.25	21.40	+ 0.85		20	23.87	20.35	+ 3.52
	26	23.45	21.47	+ 1.98		27	23.01	20.68	+ 2.33
Mar.	5	23.08	21.75	+ 1.33	Sept.	3	22.99	20.98	+ 2.01
	12	22.92	21.71	+ 1.21		10	23.51	21.50	+ 2.01
	19	22.94	21.59	+ 1.35		17	23.87	21.28	+ 2.59
	26	22.69	21.56	+ 1.13		24	22.12	19.45	+ 2.67
Apr.	2	22.62	21.02	+ 1.60	Oct.	1	21.31	19.00	+ 2.31
	9	22.01	20.41	+ 1.60		8	20.39	18.04	+ 2.35
	16	21.61	19.60	+ 2.01		15	19.43	17.86	+ 1.57
	23	21.17	18.48	+ 2.69		22	19.57	17.96	+ 1.61
	30	20.42	18.02	+ 2.40		29	19.12	17.85	+ 1.27
May	7	20.20	18.46	+ 1.74	Nov.	5	17.92	17.04	+ 0.88
	14	20.00	18.69	+ 1.31		12	18.21	16.53	+ 1.68
	21	20.71	19.32	+ 1.39		19	17.56	16.04	+ 1.52
	28	22.31	20.44	+ 1.87		26	17.43	16.04	+ 1.39
June	4	23.17	22.06	+ 1.11	Dec.	3	17.38	16.00	+ 1.38
	11	22.66	21.68	+ 0.98		10	17.22	15.88	+ 1.34
	18	22.08	21.08	+ 1.00		17	17.09	15.85	+ 1.24
	25	22.15	21.54	+ 0.61		24	17.15	16.44	+ 0.71
						31	17.16	16.30	+ 0.86

1/ 72.95 pounds of major and minor hog products, fresh basis. This price series is lower and the spread smaller than would be shown by a similar series for fresh and cured pork products.
Production and Marketing Administration.

Table 8.- Average retail price, farm value and marketing charges for all meats combined, 1913-49 1/

Year	Retail price	Net farm value	Margin	Government processor payments	Processing taxes on hogs	Marketing charge	Government payments to producers	Adjusted farm value
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1913	18.7	11.2	7.5			7.5		11.2
1914	19.2	11.5	7.7			7.7		11.5
1915	18.6	10.4	8.2			8.2		10.4
1916	20.4	12.2	8.2			8.2		12.2
1917	26.4	17.7	8.7			8.7		17.7
1918	32.6	20.6	12.0			12.0		20.6
1919	34.7	20.9	13.8			13.8		20.9
1920	33.8	17.7	16.1			16.1		17.7
1921	27.7	11.2	16.5			16.5		11.2
1922	26.7	11.9	14.8			14.8		11.9
1923	26.7	11.1	15.6			15.6		11.1
1924	27.0	11.5	15.5			15.5		11.5
1925	30.0	14.7	15.3			15.3		14.7
1926	30.8	15.4	15.4			15.4		15.4
1927	30.4	14.6	15.8			15.8		14.6
1928	32.0	15.8	16.2			16.2		15.8
1929	33.2	16.6	16.6			16.6		16.6
1930	31.0	14.0	17.0			17.0		14.0
1931	25.7	9.8	15.9			15.9		9.8
1932	20.0	6.8	13.2			13.2		6.8
1933	17.7	6.3	11.4		.1	11.3	.1	6.4
1934	20.6	7.2	13.4		1.5	11.9	1.5	8.7
1935	27.7	12.2	15.5		1.6	13.9	1.6	13.8
1936	26.3	12.4	13.9			13.9		12.4
1937	28.5	13.7	14.8			14.8		13.7
1938	25.1	12.0	13.1			13.1		12.0
1939	24.4	11.6	12.8			12.8		11.6
1940	23.3	11.4	11.9			11.9		11.4
1941	26.6	15.1	11.5			11.5		15.1
1942	30.9	19.7	11.2			11.2		19.7
1943	32.0	21.6	10.4	1.1		11.5		21.6
1944	30.4	20.1	10.3	1.9		12.2		20.1
1945	30.0	21.8	8.2	2.8		11.0	0.2	22.0
1946	38.5	26.3	12.2	1.8	---	14.0	0.2	26.5
1947	55.4	35.4	20.0			20.0		35.4
1948	62.0	39.0	23.0			23.0		39.0
1949	56.0	33.8	22.2			22.2		33.8

1/ For 1936-49 repeats data in first section of table 5. See heading and footnotes of table 5 for explanation of data in each column.

Livestock prices per 100 pounds (except where noted), marketings and slaughter statistics, by species, December 1949, with comparisons

Prices

Item	Annual 1938-47 av.	January-December 1948	January-December 1949	1948 November	1948 December	1949 November	1949 December	1950 January
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
Cattle and calves								
Beef steers sold out of first hand:								
Chicago, Choice and Prime	16.19	35.24	28.65	36.28	32.56	36.25	37.77	
Good	14.73	30.96	26.07	30.68	27.82	29.35	29.91	
Medium	12.88	26.31	23.17	25.80	24.09	24.26	24.50	
Common	10.73	22.16	19.77	22.01	21.28	19.02	19.23	
All grades	14.66	30.88	25.80	30.71	26.78	28.21	26.47	
All grades, Omaha	---	---	24.23	28.09	25.09	25.36	24.17	
All grades, Sioux City	---	---	24.41	28.73	25.40	26.02	25.11	
Cows, Chicago, Good grade	11.41	23.18	18.79	21.46	20.28	17.56	17.30	
Cows, Chicago, Cutter and Common 1/	8.29	18.01	15.41	16.98	17.01	13.87	14.16	
Vealers: Good and Choice, Chicago	14.39	29.02	27.64	30.86	30.78	26.95	27.72	
Stocker and feeder steers, Kansas City	11.97	25.54	21.34	24.52	23.26	21.45	21.44	
Average price received by farmers:								
Beef cattle	10.86	22.20	19.90	20.80	20.40	19.20	19.00	19.40
Veal calves	12.22	24.40	23.30	23.80	24.10	22.00	22.40	23.30
Hogs								
Average market price, Chicago:								
Barrows and gilts	13.07	23.27	18.62	22.91	21.34	16.04	15.38	
Sows	12.20	22.58	16.67	20.61	18.00	14.74	12.72	
Average price received by farmers:								
Hogs	12.38	23.10	18.50	21.80	20.90	15.60	14.80	15.10
Corn, cents per bushel	95.3	188.	117.	121.	123.	102.	113.	115.
Hog-corn price ratio (farm basis) 2/								
North Central Region	14.4	13.2	16.3	18.5	17.3	15.8	13.2	13.3
United States	13.3	13.0	15.8	18.0	17.0	15.3	13.1	13.1
Sheep and Lambs								
Lambs, Good and Choice slaugh., Chicago 3/	14.02	25.96	25.45	25.40	25.07	23.13	21.91	
Feeding lambs, Good and Choice, Omaha	12.37	4/22.36	5/23.06	23.01	23.31	23.25	22.88	
Ewes, Good and Choice, Chicago	6.35	11.59	10.83	9.71	10.44	11.09	11.20	
Average price received by farmers:								
Sheep	5.72	9.69	9.50	8.93	8.81	8.92	9.28	9.64
Lambs	11.88	22.80	22.70	21.90	21.80	21.40	21.00	21.60
Meat								
Wholesale, Chicago:								
Steer beef, carcass (Good 500-600 lb.)	21.28	50.03	42.66	49.14	44.41	47.26	45.02	
Composite hog products (incl. lard) 6/	21.39	29.94	24.61	28.13	26.79	21.32	20.36	
Lamb carcasses (Good 30-40 lb.)	23.66	49.00	49.64	47.72	45.62	46.36	44.40	
B.L.S. index retail meat prices 7/	124.3	243.9	229.3	243.1	235.4	226.4	220.0	
BLS index wholesale meat prices 8/	---	254.9	221.8	240.0	230.8	212.9	206.5	
Index income of industrial workers 1935-39 = 100 9/	227.0	353.6	---	362.7	360.5	---	---	

Livestock Marketing and Slaughter Statistics

Item	Unit	Annual 1938-47 av.	January-December 1948	January-December 1949	1948 November	1948 December	1949 November	1949 December	1950 January
Meat-animal marketings:									
Index numbers (1935-39 = 100)	---	134	139	139	174	159	160	154	
Stocker and Feeder shipments to 8 Corn Belt States:									
Cattle and calves	Thous.	---	2,559	3,258	461	195	432	198	
Sheep and lambs	Thous.	---	2,369	2,518	367	133	212	71	
Slaughter under Federal Inspection:									
Number: 10/									
Cattle	Thous.	11,943	12,994	13,222	1,151	1,197	1,116	1,064	
Calves	Thous.	6,111	6,907	6,449	614	572	585	511	
Sheep and lambs	Thous.	19,541	15,343	12,136	1,444	1,329	1,060	1,058	
Hogs	Thous.	49,529	47,615	53,032	5,425	6,089	6,003	6,477	
Percent sows are of hogs	Percent	---	12	15	11	8	10	11	
Average live-weight:									
Cattle	Pound	942	945	976	946	963	968	984	
Calves	Pound	202	209	209	234	217	237	218	
Sheep and lambs	Pound	90	94	94	94	95	95	98	
Hogs	Pound	271	253	248	241	250	236	243	
Meat Production:									
Beef	Mil. lb.	5,972	6,433	6,998	558	604	566	556	
Veal	Mil. lb.	687	791	746	77	67	75	60	
Lamb and mutton	Mil. lb.	807	665	536	62	58	48	49	
Pork (excluding lard)	Mil. lb.	6,983	6,832	7,352	752	851	801	881	
Storage stocks first of month:									
Beef	Mil. lb.	---	---	---	88	111	70	91	123
Veal	Mil. lb.	---	---	---	10	16	9	12	16
Lamb and mutton	Mil. lb.	---	---	---	16	23	8	11	14
Pork	Mil. lb.	---	---	---	203	311	210	297	478
Total meat and meat products	Mil. lb.	---	---	---	382	535	370	493	732

1/ Common until July 1939 when changed to Cutter and Common. 2/ Number of bushels of corn equivalent in value to 100 pounds of live hogs. 3/ Wooled lambs except for months of June through September when quoted as spring lambs. 4/ Average of prices for January, February, March, April, May, August, September, October, November and December. 5/ Average of prices for August, September, October, November and December. 6/ Calculated from values of 71.32 pounds of fresh and cured hog products including lard. 7/ 1935-39=100. 8/ 1926=100. 9/ Revised data 1939 to date. 10/ 1948-49 slaughter excludes Hawaii and Virgin Islands.

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